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OPERATIONAL ACTIVITIES OF THE UNITED NATIONS FOR INTERNATIONAL DEVELOPMENT COOPERATION: FOLLOW-UP TO POLICY RECOMMENDATIONS OF THE GENERAL ASSEMBLY

Addendum

Trends in core and non-core resources

Report of the Secretary-General

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INTRODUCTION

1. The question of increasing resources in relation to the growing needs of recipient countries and making the funding system more predictable has remained a continuing concern of the General Assembly and an essential part of the overall reform process of the United Nations development system. As far back as 1977, the General Assembly, in its resolution 32/197 of 20 December 1977, on restructuring the economic and social sectors of the United Nations system, called for a real increase in the flow of resources for such activities on a predictable, continuous and assured basis. Several resolutions have subsequently addressed the three related areas of governance, funding and efficiency and the impact of operational activities for development, and a number of further resolutions have dealt with those three interrelated issues, including in the context of several triennial policy reviews, which commenced in 1980.

2. More recently, in paragraph 32 of its resolution 48/162 of 20 December 1993 on further measures for the restructuring and revitalization of the United Nations system in the economic, social and related fields, the General Assembly stressed that, in particular, as part of the overall reform process, there is a need for a substantial increase in resources for operational activities for development on a predictable, continuous and assured basis, commensurate with the increasing needs of developing countries. The Assembly requested the Secretary-General to review and analyse possible changes and improvements in the current funding system, including but not limited to multi-year negotiated pledges. The Assembly also recommended that the process include informal consultations and negotiations on prospective new modalities for financing at the level of the General Assembly.

3. Accordingly, the Secretary-General issued a comprehensive report on the funding of operational activities for development within the United Nations system (A/48/940), which the General Assembly considered at open-ended consultations on prospective new modalities for financing held at its resumed forty-eighth session. The consultations met several times, with inconclusive results (for the Chairman's summary of the consultations, see A/49/749). The comprehensive report reviewed various modalities and mechanisms that might achieve the goal of increasing resources and providing greater predictability. It also offered practical steps to strengthen the current voluntary system.

4. In response to the initial consultations, the Secretary-General issued a follow-up report on the funding of operational activities for development within the United Nations system in January 1995 (A/49/834). The report considered, inter alia, methods of determining resource targets. It concluded that the resource targets, including existing operational practices and levels of financing and operational and administrative costs, were not based on quantifiable needs of recipient countries, and that there were no workable methods available at the global level. The report further assessed funding options and possible new funding modalities, and offered ideas on how best to place programmes and funds on a sounder financial basis.

5. Subsequently, the Secretary-General, in paragraphs 90 and 91 of his report on an agenda for development (A/49/665), noted that United Nations development activities were in financial difficulties, and that reliance on voluntary contributions alone was no longer feasible. The report suggested that a blend of assessed, negotiated and voluntary contributions might provide the most logical and appropriate means of financing the United Nations.

6. During the 1995 triennial comprehensive policy review of operational activities for development, the General Assembly considered the three interrelated areas of governance, resources and the policy directions of operational activities, and noted with regret, in paragraph 4 of its resolution 50/120, that although significant progress had already been made on the restructuring and rationalization of the governance and functioning of the United Nations development funds and programmes, there had not been, as part of the overall reform process, any substantial increase in resources for operational activities for development on a predictable, continuous and assured basis, nor had the consultations on prospective new modalities for financing reached a conclusion. Further, in paragraph 5 of the same resolution, it strongly reaffirmed that the efficiency, effectiveness and impact of the operational activities of the United Nations system must be enhanced by, inter alia, a substantial increase in their funding on a predictable, continuous and assured basis, commensurate with the increasing needs of developing countries, as well as through the full implementation of resolutions 47/199 and 48/162. In paragraph 10 of the same resolution, the Assembly called for intensified consultations and negotiations on prospective and specific modalities for financing operational activities for development.

7. The next step was General Assembly resolution 50/227, in which, in paragraph 9, the Assembly stressed that within the context of the efforts to provide the operational activities of the United Nations system with resources, in particular core resources, on a predictable, continuous and assured basis, and taking into account that voluntary contributions from official sources should remain the main source for funding of those activities, all aspects of funding of United Nations operational activities and options presented in the reports of the Secretary-General (A/48/940 and A/49/834) and other reports subsequently presented, which include the three funding mechanisms (voluntary, negotiated and assessed), as well as their expected impact, should be examined by the General Assembly and the Economic and Social Council in accordance with their respective mandates.

8. The Economic and Social Council, in its resolution 1996/42, strongly reaffirmed that the efficiency, effectiveness and impact of the operational activities of the United Nations system must be enhanced by, inter alia, a substantial increase in their funding and through the full implementation of General Assembly resolutions 47/199, 48/162, 50/120 and 50/227. It requested the Secretary-General to include in his progress report on the implementation of resolution 50/120 an analytical assessment of the implications for operational activities for development of the recent trends in core and non-core resources, and to make a recommendation on how to increase core resources and effectively implement section 1 of General Assembly resolution 50/227. The present report has been prepared in accordance with that request, taking into account the legislative history described above, including the fact that previous reports on

the subject have yet to be considered in depth by either the Council or the Assembly.

I. STATUS OF CORE AND NON-CORE RESOURCES

9. The United Nations funds and programmes - the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the World Food Programme (WFP) and the United Nations Population Fund (UNFPA) - are the principal avenues through which the operational activities of the United Nations system are financed. Their resources are provided in two broad categories: core and non-core (for terminology of non-core modalities, see annex). Combined total resources channelled through the funds and programmes in 1994, 1995 and 1996 are estimated at US$ 4.5 billion, US$ 4.3 billion and US$ 4.5 billion, respectively.

10. WFP works in both development and relief, and it receives its contributions both in cash and in kind. Funding over the past several years has seen an increase in the overall level of funding since 1991 ($1.4 billion in 1991, $1.7 billion in 1992, $1.4 billion in 1993, $1.5 billion in 1994 and $1.3 billion in 1995), accompanied by a shift in the proportion of funds provided for development activities and emergency relief operations. In 1991, funding for development stood at $488 million and funding for relief at $586 million; in 1994, the corresponding figures were $311 million and $874 million, respectively; and in 1995, they were $340 million and $613 million.

11. WFP had been facing increasing difficulty in securing the necessary mix of cash, commodities and service. That situation was exacerbated by the upsurge of complex emergency humanitarian crises that emerged in the late 1980s and continue to this date. Complicating elements included the practice by donors of increasingly tying and designating their funding to particular operations or target populations, resulting in a loss of flexibility; the scope for and willingness of donors to support emergency operations with funding drawn from budget-line items; and the effort to use scarce resources in the most effective manner, such as using food aid to save lives in emergency humanitarian situations in a way that was at the same time as relevant as possible to development.

12. In November 1995, the governing body of WFP approved new resource and long-term financing policies, which the Secretariat has been implementing on a trial basis since 1 January 1996; the policies aim to overcome external constraints, provide more predictable and flexible resources, and ensure full cost recovery, while at the same time preserving the multilateral nature of WFP over the long term.

A. Core resources

13. Core resources are generally understood as those contributed voluntarily to the funds and programmes for general resources, to be utilized according to their mandates, without any constraints or conditions. Within that broad

understanding, there are subtle but significant differences. UNDP core resources are entirely contributed by Governments; UNICEF obtains its core funds or general resources both from Governments and non-governmental sources, such as national committees. UNFPA core funds are almost but not exclusively government funds; a minuscule amount comes from non-governmental private donations. WFP receives most of its contributions from Governments in cash and in kind. In 1996, approximately 40 per cent of overall contributions to WFP were made in kind, the remainder in cash. WFP core resources are received through the multilateral funding window for its four programme categories (development, rehabilitation and disaster preparedness; protracted relief operations; emergencies; and special operations).

14. A notable feature of core funding of funds and programmes is that a small number of countries contribute close to 90 per cent of such funding. In 1996, 15 countries contributed over 95.9 per cent of UNDP resources, 98.5 per cent of UNFPA resources, 95.2 per cent of UNICEF resources and 94.2 per cent of WFP resources. The steady decline of core funding and its overwhelming dependence on a few countries indicate the potential for instability and vulnerability. Annual voluntary contributions to UNDP core resources[1] declined from US$ 1,074 million in 1992 to US$ 844 million in 1996; over the same period, non-core resources increased from US$ 382 million to US$ 1.27 billion. Consequently, the share of core resources in total income has decreased from approximately 76 per cent in 1992 to approximately 45 per cent in 1996. Pledges and estimated contributions for 1997 indicate a continuation of that declining trend, which should be viewed in the light of the initial figure of US$ 3.3 billion for core resources, which was adopted for planning purposes by the UNDP Executive Board (see para. 7 of UNDP decision 95/23) for the three-year period beginning in 1997.

15. In 1996, 58 per cent - or $551 million of total income - was received as general resources which UNICEF allocated to Board approved programmes supporting children and women, guided by a needs-based formula (size of child population, under-five mortality rate, per capita gross national product (GNP)). The remaining income comes as supplementary funds or emergency contributions for specific programme components.

16. UNFPA total income in 1996 was estimated at approximately US$ 309 million, a decrease from the 1995 income level of US$ 337 million pledged by 95 Governments. Fifteen major donors, whose contributions equalled or exceeded US$ 1 million, contributed US$ 297.8 million - or more than 98 per cent - to total UNFPA core resources. Current projections indicate that in 1997, UNFPA income may again exceed the US$ 300 million mark. The uncertainty inherent in voluntary contributions is exemplified by the fact that in 1996, over 33 per cent of the total sum pledged to UNFPA was still outstanding for the last quarter of the year, causing serious cash-flow problems and adversely affecting programming confidence.

17. Some US$ 1.5 billion was contributed to WFP in 1996, 28 per cent for development work, 46 per cent for emergency operations and 24 per cent for protracted relief. In addition, US$ 28 million (2 per cent) was pledged in support of special operations. The sharp decline in development contributions

made it difficult to meet commitments, and reinforced the need to introduce the development dimension into relief effort.

18. Donors met most of the estimated requirements for WFP relief activities. There were, however, a small number of emergencies for which adequate levels of resources were not forthcoming. Most contributions for relief activities were directed towards specific operations or in response to particular appeals. The picture for resources for development is different. There has been a continuing decline in the level of resources available for development. That trend has been accompanied by an increase in the proportion of development resources that have conditions on their use. In 1996, approximately 50 per cent of WFP resources were core resources.

B. Non-core resources

19. The importance of non-core resources as a means of funding operational activities was recognized by the General Assembly in its resolution 44/211, in which it recognized the value of special-purpose grant resources provided that they were designed as a means to ensure additional resource flows and that their projects were coherently and effectively integrated in the technical cooperation programme of the United Nations system, in conformity with each country's development plan.

20. Non-core resources are far more varied, and definitions and the composition of non-core funding also differ among organizations (see annex). For example, UNDP includes trust funds as part of its non-core funding, whereas UNICEF does not.

21. In the case of UNDP, non-core resources are constituted by funds contributed by governmental or private sources and intended for specific purposes, i.e., identified projects or programmes, or assistance within geographic or thematic areas. Non-core resources are contributed generally through two modalities: (a) cost-sharing of projects or programmes, provided either by programme country Governments (so-called government cost-sharing) or by other Governments (so-called third-party cost-sharing); and (b) trust funds as receptacles for funds contributed by one donor or by several donors for a common purpose.

22. UNDP non-core resources have increased from US$ 382 million in 1992 to US$ 1.27 billion in 1996, of which cost-sharing represented US$ 957.6 million in 1996 (compared to US$ 271.9 million in 1992), with government cost-sharing representing 71.8 per cent and third-party cost-sharing 28.2 per cent (compared to 62.2 and 37.8 per cent, respectively, in 1992).

23. In its decision 95/23, the UNDP Executive Board stressed that contributions to core resources should remain the central efforts of all donors, and in paragraph 9 of that decision, it also recognized the importance of non-core resources, including cost-sharing and non-traditional sources of financing, as a mechanism for enhancing the capacity and supplementing the means of UNDP to achieve the goals and priorities specified in Executive Board decision 94/14. Those non-core resources are now reflected in the new country

cooperation frameworks under resource mobilization targets, and are mobilized both within the priorities defined by the programme countries themselves and within the goals and priority areas determined in Executive Board decision 94/14.

24. In the case of UNICEF, non-core resources, i.e., supplementary funds, are divided into emergency and regular supplementary-funded programmes. Each Executive Board approved country programme of UNICEF includes programme components for which general resources are not available, but for which regular supplementary funding is sought from the donor community, particularly donor Governments. Such supplementary funding comes from Governments' bilateral official development assistance (ODA) budgets, national committees or private-sector contributions mobilized for specific programmes. General resources come from donor Governments' multilateral ODA budgets and from the private sector, particularly through sales of cards and products.

25. Non-core funds of UNFPA for 1996 are estimated at US$ 49.3 million, an increase of 16.4 per cent over the 1995 level of US$ 33.2 million. Each country programme provides a multi-bilateral component to be used for separate projects or in conjunction with core-funded projects. Multi-bilaterally funded projects entail considerable staff work. The European Commission has recently agreed to channel US$ 30 million for reproductive health programmes in Asia, which is indicative of the trend to use the expertise and infrastructure of the United Nations system to channel bilateral resources to developing countries.

26. Non-core resources are a major source of financing for WFP, amounting to some 50 per cent of total resources. Most of the non-core resources are directed to emergency relief operations. In 1996, some 28 per cent of development resources were classified as non-core resources. The new resource and long-term financing policies adopted by WFP are designed, in part, to reflect that reality in a way that maximizes the opportunity for donors to support WFP activities and for WFP to manage them.

II. ANALYSIS

27. The steady but small increase in total resources, declining core funds and the small number of countries from which the vast bulk of contributions is emanating may necessitate new approaches to achieve the goal of increasing core resources. Viewed against the backdrop of the overall development aid context, important strands are emerging that have a bearing on that subject. In the mid-1980s, ODA was the major part of resource flows to developing countries. In the mid-1990s, private flows have been exceeding official sources: ODA has shrunk to an all time low of 0.27 per cent of GNP, and a growing portion is going to meet humanitarian needs (rising from US$ 1 billion in 1990 to US$ 3 billion in 1993, peaking in 1994) and debt relief. Resources channelled through multilateral institutions now account for 10 per cent of total flows to developing countries, and those that are made available to the United Nations development system are stagnant. The relative stagnation of core resources to UNFPA has coincided with the growth of total ODA funding for population assistance. In 1994, approximately US$ 1.4 billion out of total ODA was devoted to population activities, and it is estimated that about US$ 2 billion was

committed in 1995. Less ODA is flowing to economic infrastructure and production, and more to social sectors. Membership of the Organisation for Economic Cooperation and Development (OECD) has increased, and some developing countries are graduating from the position of recipient to net donor countries. At a time of declining core resources, United Nations funds and programmes have been charged with the added responsibility of implementing global plans of action. Core funds remain the indispensable foundation of the funds and programmes, both to meet national demands and to respond to global trends. There is a need for an appropriate balance between the growth in core and non-core funds.

28. Normally, the same countries provide core funding and special purpose funds. Countries that contribute to non-core resources also contribute to core resources, and often vice-versa, and there is no discernible link between the two. Although both core and non-core resources are related to established mandates and financial rules, some aspects of non-core resources are outside the direct decision-making of the executive boards. If taken to an extreme, excessive reliance on non-core resources could distort national and global priorities and affect the multilateral and universal character of the United Nations system. Since contributions to core funds and/or non-core funds are influenced by domestic political and budgetary considerations, some countries may find it more convenient to contribute to two different funding windows. The task is how best to maintain policy and programme balance between the various approaches.

29. Faced with that situation, United Nations funds and programmes are adopting a three-pronged approach to enhancing core resources by (a) enhancing the efficiency and transparency of their operations; (b) obtaining a larger share from existing traditional sources; and (c) developing new sources of funding. United Nations funds and programmes continue to seek larger shares from existing resource pools. They have streamlined their operations and cut costs and administrative budgets. They are also engaged in a dialogue with traditional donors to understand their concerns better and reorient their work. As stated by the UNDP Administrator in his 1996 Annual Report, the UNDP focus on sustainable human development and on low-income countries reflects the aid objectives of those countries. A leaner, more efficient and more accountable organization is the goal of UNDP. UNDP core resources are more apt to be directed towards a smaller group of countries and a smaller number of activities related to sustainable human development. An instance of that trend is that, as of 1995, one-third of UNDP resources were allocated for governance, a relatively new development area. UNICEF is working with donors to identify contributions that can be allocated to core instead of non-core resources and is in touch with national committees in that regard. Accountability, cost-effective programme delivery and timely implementation are the watchwords of UNICEF to attract larger resources. UNFPA has also concentrated on increasing efficiency, strengthening management and maximizing funds for country programmes.

30. The General Assembly is pursuing intergovernmental reform, enhancing efficiency and funding as interconnected and mutually reinforcing processes. Although according to its own assessment in paragraph 4 of Assembly resolution 50/120, significant progress has been made in the restructuring and rationalization of the governance and functioning of the funds and programmes,

there has not been any substantial increase in resources on a predictable, assured and continuous basis. Moreover, the informal consultations of the General Assembly on that subject have failed to reach any conclusion. It is necessary to review the reasons for that failure and identify ways to achieve the desired results.

31. General Assembly decisions in the context of the triennial comprehensive policy review of the United Nations system operational activities (resolutions 44/211, 47/199 and 50/120) were designed to enhance greater coherence within the United Nations system at the country level and integration into national processes. Enhancing efficiency is not only meant to respond to concerns of Member States but it should also reflect concerns about the system's relevance and responsiveness to the increasingly country-specific demands of Member States. Greater sensitivity to both concerns can lead to greater confidence and larger resource inflows. Transforming the governing councils of funds and programmes into executive boards was designed to make governance more effective. More stable and increased funding would have a direct bearing on enhanced efficiency and effectiveness, as strongly reaffirmed by the General Assembly in paragraph 5 of its resolution 50/120.

32. It is also important to note that recipient countries also make a substantial contribution to the financing of development activities supported by the United Nations funds and programmes, particularly under national execution modalities. All WFP development activities are executed nationally.

33. The situation of 15 countries, all belonging to OECD, contributing almost 90 per cent of core funds of funds and programmes must be addressed. The traditional donor base has been static despite changes in the determinants and geography of the global economy. East Asian countries, some South American nations and even some low-income countries with large economies may be in a position to contribute at higher levels. The declining public support and public funds for official development assistance in a number of important donor countries makes a compelling case for enlarging the donor base. Some new donor countries are already contributing to the "soft windows" of regional development banks. Some have started significant bilateral aid programmes and established aid infrastructures. A new rationale may be established with incentives, such as representation in senior management and economic returns to encourage and accelerate the process. In addition, the desire to contribute to their more needy partners in developing countries should be a powerful motive force.

34. The General Assembly has reaffirmed three fundamental characteristics of the financing of operational activities as voluntary, neutral and multilateral; any proposals to enhance core funding must be based on these fundamentals. Although the Assembly has emphasized the need for both substantial additionality and security and stability and predictability, these may not always be realized together. Particularly when some donor countries who are contributing more than their proportionate shares insist on equitable burden-sharing, mechanisms could result such as negotiated instruments of commitment and multi-year contributions, without political will, in less, not more, resources. The difficulties experienced in IDA's eleventh replenishment and of IFAD underscore this concern. Furthermore, many countries operate on the basis of annual budgets, reinforcing their natural reluctance to commit to increased funding;

nevertheless, the concept of negotiated multi-year contributions requires a further careful look.

35. That issue was reviewed in the Secretary-General's reports on funding operations (A/48/940 and A/49/834). Funding, particularly voluntary, is always a function of political choice. In an era of perceived resource scarcity and competitive environment, it also becomes a matter of public perception. A more informed and enlightened public can create a constituency for a stronger shared commitment.

36. The other challenge of increasing resource flows is how to optimize the use of existing funds in tandem with other partners under national leadership. Given the growing convergence of bilateral and multilateral agendas and the unquestioned advantages of United Nations neutrality and legitimacy, United Nations funds and programmes are performing important aid coordination functions. Currently, those functions are often at the level of information exchange, and there is potential for them to be enlarged to include programmatic cooperation, which in turn could enhance donor confidence and lead to larger contributions.

37. The growing development consensus that the over-arching objective of development cooperation should be poverty eradication offers an opportunity to enhance core contributions by encouraging the donor community and new potential donors to shift some of the non-core contributions or bilateral aid to other sources to increase core funding; most of the core-funded projects and special-purpose-funded activities can be related to that broad theme. At the country level, the same project is often funded from resources drawn from both sources. The possibility of combining the universality of core funds and the special character of trust funds at the global-programme level may be considered. Public support for funding such special-purpose activities may be stronger.

38. In reviewing financing modalities, it may be useful to note the implicit link between influence in governance and voluntary contributions. For countries to transfer resources from bilateral and other multilateral avenues to the United Nations development system, it is necessary to offer a credible case. That some donors are utilizing their experience and management capacities, such as field-level facilities and managerial structure, illustrates the potential technical assistance role of the United Nations development system vis-à-vis bilateral donors.

39. For many years, a number of Member States have complained about the inefficiency of the current holding of United Nations pledging conferences for development activities. The main argument has been that, at the pledging conferences, the contributions announced have amounted to not more than 40 per cent, and usually less, mainly because for many potential donors, the fiscal year starts later and they are not in a position to announce their pledges before parliamentary approval. As a result, it is clear that pledging conferences, as they exist now, can play a role for procedural purpose but have become inadequate as a fund-raising mechanism.

40. A proposal has even been made to abolish pledging conferences altogether, but the General Assembly, in annex I, paragraph 16 of its resolution 50/227,

postponed a decision on the future of pledging conferences, including a decision on whether to effect changes in their scheduling, pending the results of its review of funding modalities. Nevertheless, it is doubtful whether pledging conferences are to be continued and whether they would be any more productive if held in February and March.

41. In view of the above-mentioned postponement, whether or not the review of funding modalities is completed by the end of the fifty-second session of the General Assembly, a decision on whether to effect changes in pledging conferences will need to be made at that time.

Notes

[1] Defined as amounts pledged for a given year, irrespective of the year in which the amount is actually received.

Annex

NOTE ON TERMINOLOGY OF NON-CORE FUNDING MODALITIES OF UNITED NATIONS FUNDS AND PROGRAMMES

UNDP co-financing modalities is an umbrella term for several modalities, including cost-sharing, trust funds, UNDP-administered funds, government cash counterpart contributions, parallel financing and management support agreement.

Cost-sharing funds can come from two major sources:

(a) Recipient Government (government cost-sharing);

(b) Donor government and International Financial Institute (IFI) grants (third party cost-sharing, with funding direct to UNDP).

Trust funds can be established for a specific purpose, covering specific particular projects, one or more countries, or regional and global programme interests, and can be limited to one donor or open to multiple donors.

UNDP-administered funds include the United Nations Capital Development Fund, the United Nations Development Fund for Women, the United Nations Fund for Science and Technology for Development, and the Office for Desertification and Drought. Those funds are established for special programme purposes of global and regional interest, have voluntary contributions as core funds, and may include participation in sub-trust funds and cost-sharing.

Under the modality of the government cash counterpart contribution, recipient Governments are required to meet certain obligations towards UNDP-assisted projects, either through contributions in cash or in kind.

Parallel financing is an arrangement in which at least two parties join in a common programme but make separably administered contributions. Following a joint programming exercise, both UNDP and the donor(s) finance and execute their specific segment separately but in continuous coordination.

Management support agreements provide support services at the request of a recipient Government or bilateral and multilateral development agencies. They are not a form of co-financing but a mechanism to procure goods and services for a donor's or Government's programme. Management support services are also provided by UNDP country offices when they are called upon to assist in the implementation of national execution projects and IFI loan implementation.

In the case of UNFPA, non-core resources or multi-bilateral arrangements play an important but mostly supplementary role. The percentage of third-party cost sharing has remained small, not exceeding 5 per cent of total contributions. Recently, UNFPA signed a partnership agreement with the European Commission that will contribute over $30 million from the European Commission to reproductive health programmes in Asia. If those arrangements prove to be successful, UNFPA envisages that the European Commission may contribute more funding for that area of its work.

Non-core or other resources are identified in UNICEF as non-emergency supplementary funds, which have almost doubled during the five years since 1991. Emergency supplementary funds contributions, subject to much greater variability, currently exceed 1991 levels, but are lower than in any year between 1992 and 1994.

The supplementary funding process is the most common relationship with bilateral donors at the country level. That process provides essential resources for UNICEF-supported programmes. It also involves UNICEF in a reporting relationship with bilateral donors, and supports a reasonable level of both policy and technical dialogue among UNICEF, key bilateral donors and the line ministries of Governments. The dialogue can have the effect of improving UNICEF accountability, and sometimes provides for exchanges of experience on innovative programming techniques.

The new resourcing and financing structure implemented by WFP from the beginning of 1996 consists of four programme categories (development, rehabilitation and disaster preparedness; protracted relief operations; emergencies; and special operations) and three funding windows (multilateral, directed multilateral and bilateral), under which WFP receives its contributions. Contributions through the multilateral funding window provide WFP with the flexibility to allocate resources in a timely and appropriate manner consistent with the guidance provided by the Executive Board. Resources made available through the directed multilateral window enable donors to direct contributions to specific projects or operations. In addition, WFP provides bilateral services in which the activity is not associated with WFP-assisted operations but is nevertheless consistent with WFP's mission statement. That model enables a more clear distinction to be drawn between core and non-core resources.

Table 1. Contributions of 15 major donors to core resources

(Millions of United States dollars)

Countries	UNDP		UNFPA		UNICEF 1995			UNICEF 1996			WFP[a]
	1995	1996	1995	1996	Govern.	Nat. Com	Total	Govern.	Nat. Com	Total	1996
Japan	105.1	110.1	51.8	54.4	29.4	29.4	58.9	30.9	34.3	74.2	32.4
Denmark	105.4	97.8	27.6	47.0	31.4	1.9	33.3	31.5	1.9	33.4	42.5
Netherlands	103.1	98.1	35.9	44.8	26.3	8.8	35.1	29.9	23.9	53.8	45.0
Germany	94.1	88.5	32.6	30.8	6.5	41.3	47.7	8.1	39.9	48.0	67.0
Norway	78.9	77.8	29.1	28.3	39.4	1.4	40.8	39.6	1.6	41.2	22.4
Sweden	65.4	69.2	25.9	17.5	40.3	1.6	41.9	42.5	1.9	44.4	26.8
United States	113.4	50.4	35.0	22.8	100.0	7.9	107.9	100.0	8.2	108.2	316.2
Switzerland	45.2	43.4	7.2	7.0	13.3	11.5	24.8	13.2	11.7	24.9	20.6
United Kingdom	38.7	36.9	11.7	16.5	13.5	1.7	15.2	13.1	2.0	15.1	7.8
Canada	31.9	31.9	7.0	7.0	10.5	3.2	13.7	10.5	3.1	13.6	41.8
Italy	18.6	21.8	1.3	1.7	12.4	29.3	41.7	-	18.8	18.8	3.5
Belgium	22.4	21.2	2.3	2.5	2.3	6.5	8.8	2.6	5.0	7.6	3.1
France	19.8	18.4	0.7	0.8	1.4	31.3	32.7	9.6	29.9	39.5	3.1
Australia	13.5	14.1	2.0	2.2	3.3	1.2	4.4	3.6	1.0	4.6	21.8
Austria	14.0	14.0	0.7	0.7	2.0	1.7	3.7	2.0	2.7	4.7	3.9
Finland	12.8	13.0	11.7	13.9	10.4	2.3	12.7	12.6	2.1	13.7	10.9
Total	882.4	806.5	282.4	297.8	342.5	181.1	523.6	349.7	188.0	537.7	668.8
Share of total core[b]	96.2	95.9	92.6	98.5			96.6			95.2	94.2

[a] The European Union is a major contributor to WFP core resources, contributing $32.3 million in 1996.

[b] Percentage.

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Table 2. Contributions to United Nations funds and programmes, 1991-1995

(Millions of United States dollars)

		UNDP	UNDP admin.	Subtotal	%	UNFPA	%	UNICEF	%	WFP[a]
1991	Core	1 022.0	63.5	1 085.5	81	219.3	98	590.0	63	
	Other	220.0	39.8	259.8	19	4.7	2	217.0	37	
	Total	1 242.0	103.3	1 345.3		233.0		807.0		1 401.1
1992	Core	1 073.8	55.9	1 129.7	76	233.2	98	707.0	58	
	Other	408.0	30.3	438.3	24	5.0	2	231.0	42	
	Total	1 481.8	86.2	1 568.0		238.2		938.0		1 734.9
1993	Core	909.0	47.3	956.3	66	217.0	99	588.0	59	
	Other	409.3	24.2	433.5	34	2.7	1	278.0	41	
	Total	1 318.3	71.5	1 389.8		219.7		866.0		1 435.1
1994	Core	942.8	63.6	1 006.4	60	254.5	96	679.0	53	
	Other	676.6	10.6	687.2	40	10.7	4	327.0	47	
	Total	1 619.4	74.2	1 693.6		265.2		1 006.0		1 515.0
1995	Core	911.0	78.1	989.1	58	305.0	91	541.9	54	
	Other	701.0	14.3	715.3	42	32.1	10	464.7	46	
	Total	1 612.0	92.4	1 704.4		337.1		1 006.6		1 282.4

[a] Core and other resources not available.

Table 3. Contributions to the United Nations Development Programme, 1991-1995

(Millions of United States dollars)

	1991	1992	1993	1994	1995
UNDP core	1 022.0	1 073.8	909.0	942.8	911.0
UNDP other resources[a]	220.0	408.0	409.3	676.6	701.0
Subtotal	1 242.0	1 481.8	1 318.3	1 619.4	1 612.0
UNDP admin. funds core[b]	63.5	55.9	47.3	63.6	78.1
UNDP admin. funds other resources[a]	39.8	30.3	24.2	10.6	14.3
Subtotal	103.3	86.2	71.5	74.2	92.4
Grand total	1 345.3	1 568.0	1 389.8	1 693.6	1 704.4

Source: Financial statements of the United Nations Development Programme.

[a] Including cost-sharing and government cash counterpart contributions.

[b] Including the Capital Development Fund, the Special United Nations Volunteer Fund, the United Nations Fund for Science and Technology for Development, the United Nations Development Fund for Women, and the Trust Fund for Sudano-Sahelian Activities, as well as other funds, accounts and trust funds of UNDP, including trust funds established by the Administrator, and contributions for the Junior Professional Officers programme; also includes cost-sharing contributions to those funds.

Figure I. United Nations Development Programme core and other resources

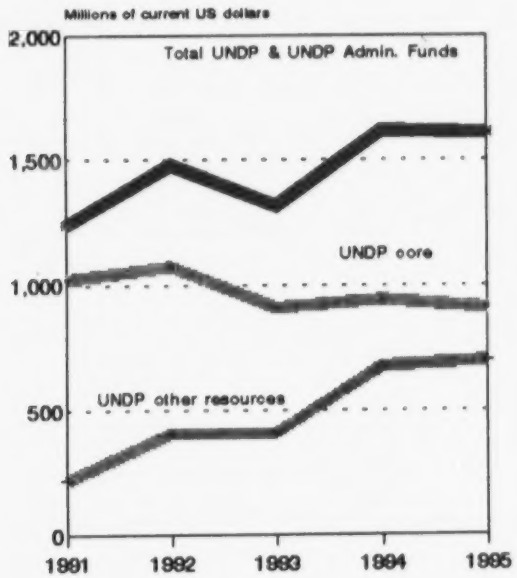

Figure II. United Nations Development Programme-administered funds core and other resources

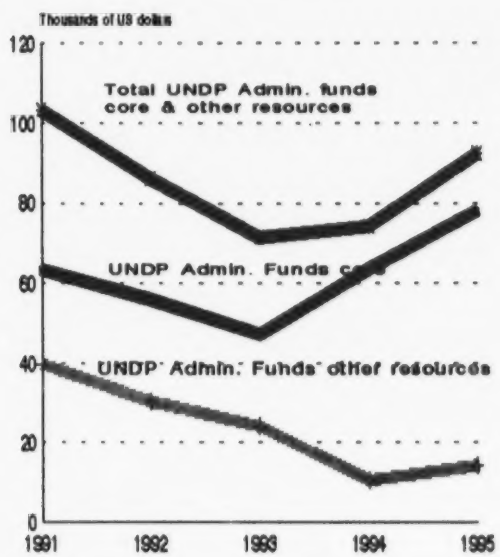

Table 4. Contributions to the United Nations Population Fund, 1991-1995

(Millions of United States dollars)

	1991	1992	1993	1994	1995
UNFPA core	219.3	233.2	217.0	254.5	305.0
UNFPA other resources[a]	4.7	5.0	2.7	10.7	32.1
Grand total	223.0	238.2	219.7	265.2	337.1

Source: UNFPA financial statements, 1995.

[a] Including contributions to trust funds and special population programmes of UNFPA.

Figure III. United Nations Population Fund core and other resources